

November 29, 2005

Publication 1346 Part I - File Specification Changes #5

The changes are identified by two vertical bars in the right margin (||).
Deletions are identified by a hyphen followed by two vertical bars (-||).

PATS Testing - These changes will be implemented December 6, 2005.

Attached are updated changes for:

Highlights were revised to include new forms (Form 5884-A, 8914, 8915)
and updated title for Form 8864

Section 3 Acknowledgement File Format
Subsection 2 (4) Ack Recap Record byte count was corrected

Section 13 - Electronic Signatures Specifications
Subsection 2, 3, 11 and 12 were revised

HIGHLIGHTS FOR TAX YEAR 2005

New Form(s)/Schedule(s)

Nine (9) additional forms will be accepted for Electronic Filing for Tax Year 2005: ||

Form 5884-A - Hurricane Katrina Employee Retention Credit	
Form 8609-A - Annual Statement of Low-Income Housing Credit	
Form 8854 - Initial and Annual Expatriation Information Statement	
Form 8864 - Biodiesel and Renewable Diesel Fuels Credit	
Form 8896 - Low Sulfur Diesel Fuel Production Credit	
Form 8901 - Information on Qualifying Children Who are not Dependents (For Child Tax Credit Only)	
Form 8903 - Domestic Production Activities Deduction	
Form 8914 - Exemption Amount for Taxpayers Housing Individuals Displaced by Hurricane Katrina	
Form 8915 - Qualified Hurricane Katrina Retirement Plan Distributions and Repayments	

Decedent Returns

Error Reject Codes 1003 and 1032 were revised to accept returns from taxpayers that died in the processing year before filing their current tax year return. (For details, see Attachment 1 of Publication 1346).

EMS Changes

- An additional IMF Drain was added to the processing schedule. Drains will occur local times at 11am, 6pm and 2am.
- Unisys will process an additional ELF Data run
- "H" will be the new site designator code for Fresno
- Capability for Trading Partners to change their password.
- October 20, 2005 will be the last time to use IRS-provided dial-up and ISDN lines to EMS for Forms 1040 and Electronic Tax Documents (ETD's). Internet access replaces dial-up.
- By November 1, 2005, all data must be encrypted when transmitted across either the Internet or via transmitter-installed encrypted dedicated/leased lines to EMS.

E-filing Imperfect Returns

TY 2005, Individual e-file will accept certain imperfect returns on the second or subsequent transmission of returns where the Child's SSN and Name Control on Schedule EIC does not match Master File or when the Dependent's SSN and Name Control on Form 1040/1040A does not match Master File.

- These returns will reject the first time they come in when they do not pass ERC 0501 or 0504 validations.
- On the second or subsequent filing with an ERC 0501 or 0504 error only, ELF will **accept** the return when the ERO checks SEQ 0035, Imperfect Return Election Indicator, on the Summary Record. An acceptance code of "E" will be returned in the ACK Key Record to the transmitter.
(E = Exception Processing)
- These returns will fallout in Error Resolution Systems (ERS), where the credit and/or exemption may be disallowed.
- Processing time for these returns will be 4 to 6 weeks.
- This exception processing applies to Federal returns transmitted separately (No Fed/State returns filings).

SECTION 3 - ACKNOWLEDGEMENT FILE FORMAT

.02 Acknowledgement File Record Layouts continued

4. ACK RECAP Record - Acknowledgement File Recap Record

Field Identification No.	Form Ref.	Length	Field Description
-----	-----	-----	-----
		4	"0126"
		4	Value "*****"
0000	Record ID	6	"RECAPb"
0010	Filler	8	Blank
0020	Total EFT Count	6	N
0030	Total Return Count	6	N, Range = (000001 999999)
0040	Electronic Transmitter Identification Number (ETIN)	7	N (includes Transmitter's Use Code)
0050	Julian Day of Transmission	3	N (Must be the same as on the TRANA record)
0060	Transmission Sequence	2	N
0070	Total Accepted Returns	6	IRS USE ONLY
0075	Total Exception Processing	6	IRS USE ONLY
0080	Total Duplicated Returns	6	IRS USE ONLY
0090	Total Rejected Returns	6	IRS USE ONLY
0100	Total Duplicated EFT	6	IRS USE ONLY
0110	IRS Computed EFT Count	6	IRS USE ONLY
0120	IRS Computed Return Count	6	IRS USE ONLY
0130	Total State-Only Return Count	6	N Range = (000001 999999)
0135	Total Accepted State-Only Returns	6	N Range = (000001 999999)
0137	Filler	5	Blank
0140	Acknowledgement File Name (GTX Key)	20	AN
	Record Terminus Character	1	Value "#"

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

02. Taxpayer Eligibility Requirements for the Self-Select PIN Method

The following taxpayers **are eligible** to use this option:

- Taxpayers who **are eligible** to file Form 1040, 1040A, **or** 1040EZ for Tax Year 2005. |
- Taxpayers who filed Form 1040 PR for TY 2004, who are eligible to file Form 1040, **1040A, or 1040EZ** for Tax Year 2005. |
- Taxpayers who did not file for Tax Year 2004, but have filed previously. |
- Taxpayers who are age 16 or older on or before December 31, 2005, who have never filed a tax return. |
- Primary taxpayers under age 16 who have filed previously.
- Secondary taxpayers under age 16 who have filed in the immediate prior year.
- Military personnel residing overseas with APO/FPO addresses.
- **U.S. Citizens and resident aliens** residing in the American Possessions of the Virgin Islands, Puerto Rico, America Samoa, Guam and Northern Marianas, or with foreign country addresses. ||
- Taxpayers filing a Form 4868 (extension of time to file) or Form 2350 (extension for certain U.S. citizens living aboard). -|
- Those who are filing on behalf of deceased taxpayers.

The following taxpayers **are NOT** eligible to participate:

- Primary taxpayers under age 16 who have never filed.
- Secondary taxpayers (**spouse**) under age 16 who did not file in the immediate prior year. ||
- Taxpayers who filed Forms 1040-NR or 1040-SS for Tax Year 2004.
- Taxpayers required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Returns or Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return:
 - **Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes** ||
 - Form 3115, *Application for Change in Accounting Method*
 - Form 3468, **Computation of Investment Credit** (if historical Structure Certificate is required) ||
 - **Form 4136, Credit for Federal Tax Paid on Fuels** ||
 - Form 5713, *International Boycott Report*
 - Form 8283, *Non-Cash Charitable Contributions* (if using Section B)
 - Form 8332, *Release of Claim to Exemption for Children of Divorced or Separated Parents*
 - Form 8858, *Information Return of U.S. Persons with Respect to Foreign Disregarded Entities*
 - **Form 8864, Biodiesel and Renewable Diesel Fuels Credit** (if Certificate and/or reseller statement is required) ||
 - Form 8885, *Health Care Tax Credit*

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

03. What is the Practitioner PIN method?

The Practitioner PIN method is another electronic signature option for taxpayers to e-file using a five digit PIN. The taxpayer chooses any five digits, except ALL zeros, as their PIN signature and must use an Electronic Return Originator (ERO) to e-file under this method. A PIN is needed for each taxpayer if filing a joint return, and each can choose any five numbers.

NOTE: The taxpayer's Date of Birth and Prior Year Adjusted Gross Income are not required.

The Practitioner PIN method offers another signature option as well for EROs to use in preparing and transmitting Forms 1040, 1040A, and 1040EZ to IRS. In most cases, this method is totally paperless and eliminates the Form 8453.

If the taxpayer agrees, it is acceptable for an ERO and/or software program to generate or assign the taxpayer PIN. The taxpayer consents to the ERO's choice by completing and signing an IRS e-file signature authorization containing the intended taxpayer PIN. The taxpayer PIN can be systemically generated or manually assigned into the electronic format and/or the signature authorization form. However, the ERO must receive the signature authorization signed by taxpayer(s) before they transmit the return or release it for transmission to the IRS.

See Questions and Answers for the Practitioner PIN method at the end of this Section.

04. Taxpayer Eligibility Requirements for the Practitioner PIN Method

The following taxpayers are eligible to use this option:

- Taxpayers who are eligible to file Forms 1040, 1040A, or 1040EZ. -|
- Military personnel residing overseas with APO/FPO addresses.
- **U.S. citizens and resident aliens** residing in the American Possessions of the Virgin Islands, Puerto Rico, American Samoa, Guam and Northern Marianas, or with foreign country addresses. ||
- Taxpayers filing a Form 4868 (extension of time to file).
- Those who are filing on behalf of deceased taxpayers.

The following taxpayers are NOT eligible to participate:

- Taxpayers required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Returns:
 - **Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes** //
 - Form 3115, *Application for Change in Accounting Method*
 - Form 3468, **Computation of Investment Credit** (if Historic Structure Certificate is required) ||
 - **Form 4136, Credit for Federal Tax Paid on Fuels** //
 - Form 5713, *International Boycott Report*
 - Form 8283, *Non-Cash Charitable Contributions* (if using Section B)
 - Form 8332, *Release of Claim to Exemption for Children of Divorced or Separated Parents*
 - Form 8858, *Information Return of U.S. Persons with Respect to Foreign Disregarded Entities*
 - **Form 8864, Biodiesel and Renewable Diesel Fuels Credit** (if Certificate and/or reseller statement is required) and //
 - Form 8885, **Health Coverage Tax Credit** //

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers

1. What is the Self-Select PIN Method?

The Self-Select PIN (**Personal Identification Number**) method allows taxpayers to electronically sign their e-filed return by **using a five-digit PIN as their signature**. The five-digit PIN can be any five numbers except all zeros. In most cases, it eliminates the requirement for Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return. **When an electronic signature is chosen, no signature documents are required to be filed with the IRS.**

2. Who is eligible to use the Self-Select PIN method to sign their return?

The following taxpayers are eligible to use the Self-Select PIN method:

- Taxpayers who are eligible to file Forms 1040, 1040A, or 1040EZ for Tax Year 2005. -|
- Taxpayers who filed Form 1040-PR for TY 2004, who are eligible to file Form 1040, **1040A, or 1040EZ** for Tax Year 2005. ||
- Taxpayers who did not file for Tax Year 2004, but have filed previously. |
- Taxpayers who are **age 16** or older on or before December 31, 2005, who have never filed a tax return. ||
- Primary taxpayers under age 16 who have filed previously.
- Secondary taxpayers under age 16 who have filed in the immediate prior year.
- Military personnel residing overseas with APO/FPO addresses.
- **U.S. Citizens and resident aliens** residing in the American Possessions of the Virgin Islands, Puerto Rico, America Samoa, Guam and Northern Marianas, or with foreign country addresses. ||
- Taxpayers filing a Form 4868 (extension of time to file), or Form 2350 (extension for certain U.S. citizens living aboard). -|
- Those who are filing on behalf of deceased taxpayers.

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers continued

3. Are there any taxpayers not eligible to use the Self-Select PIN method?

The following taxpayers are not eligible to use the Self-Select PIN method:

- Primary taxpayers under age 16 that have never filed.
- Secondary taxpayers (spouse) under age 16 that did not file in the immediate prior year.
- Taxpayers who filed Forms 1040-NR or 1040-SS for Tax Year 2004. |
- Taxpayers required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Returns or Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS e-file Online Return:
 - **Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes** //
 - Form 3115, *Application for Change in Accounting Method*
 - Form 3468, **Computation of Investment Credit** (if Historic Structure Certificate is required) //
 - **Form 4136, Credit for Federal Tax Paid on Fuels** //
 - Form 5713, *International Boycott Report*
 - Form 8283, *Non-Cash Charitable Contributions* (if using Section B)
 - Form 8332, *Release of Claim to Exemption for Children of Divorced or Separated Parents*
 - Form 8858, *Information Return of U.S. Persons with Respect to Foreign Disregarded Entities*
 - **Form 8864, Biodiesel and Renewable Diesel Fuels Credit** (if Certificate and/or reseller statement is required) and //
 - Form 8885, *Health Care Tax Credit*

4. How can the taxpayer get their original AGI if they did not bring in last year's tax return or they are a new client? ||

The taxpayer may call the IRS toll free number at 1-800-829-1040. If they can provide certain information to the Customer Service Representative (such as their name, SSN and current address), they may receive the original AGI amount over the phone or they may request a free transcript. Allow 7 to 10 days to receive the transcript. (Taxpayer should be sure to ask for the Original AGI. -|

5. If the taxpayer has never filed a tax return or did not need to file a tax year 2004 return, what amount do they enter for the original AGI?

Enter zero ("0") for the original AGI. Do not leave this field blank. The return will reject if the field is left blank for a zero amount.

6. If the taxpayer changed filing status from their 2004 tax return, what Adjusted Gross Income (AGI) do I use?

If the change is **to** Married Filing Jointly, then each taxpayer will use their individual original **total** Adjusted Gross Income **amount** from their respective 2004 tax returns. ||

If the change is **from** Married Filing Jointly, then each taxpayers will use the same original **total** Adjusted Gross Income **amount** from the 2004 joint return. ||

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers continued

7. What AGI amount should be used for a taxpayer that filed jointly with a different spouse in the prior year?

Use the AGI amount from the joint return filed with the ex-spouse.

8. What AGI amount should be used when one taxpayer of the joint return earned all the wages?

Both taxpayers on the joint return will use the **total** AGI amount from the originally filed return. The AGI amount should not be **divided** between the primary and the spouse. ||

9. If my client filed an amended tax return last year, what AGI amount should they use?

Your client must use the Original AGI amount from the originally filed return. The return will reject if the amended AGI amount is used.

10. If my client filed their prior year tax return after April 15, what AGI amount should they use?

If you clients' TY 2004 tax return was not received and processed by IRS by December 9, 2005, they must enter "0" (zero) as their AGI amount. In the event their return is rejected due to a mismatch of AGI, they can resubmit their return using their actual values. ||

11. If my clients' prior year AGI is negative what should they use?

If your client's prior year AGI is negative, they need to enter the AGI as a negative amount.

12. If the taxpayer does not want to use the PIN, can they still file their return electronically?

Yes, have the taxpayer sign Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return. The ERO must mail Form 8453 to the IRS within three business days after **receiving** acknowledgement that the return was accepted by IRS. |

13. If the taxpayer uses a PIN and owes taxes, can they pay the balance due electronically?

Yes. Taxpayers who use a PIN may pay their balance due by electronic funds withdrawal or credit card.

14. Is the Self-Select PIN a Universal PIN?

No. It is used as the taxpayer's electronic signature on their 2005 Individual Income Tax Return only. |

15. Can the taxpayer use the same PIN next year?

Yes, or they may choose any 5 numbers except all zeroes.

16. What happens if two taxpayers select and use the same PIN?

It is acceptable for two taxpayers to choose the same five digit PIN. The taxpayer's personal information (**Social Security Number, Date of Birth, and original Adjusted Gross Income from the 2004 tax return**) provided to the IRS is used to verify the taxpayer's identity. ||

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers continued

17. Do both taxpayers filing a joint return need a PIN?

Yes, each taxpayer must sign using a PIN. The taxpayers will choose any five numbers (except all zeros) as the electronic signatures.

18. What should I do if my client is unable to return to my office to input his/her PIN?

Your client may authorize you to input his/her PIN by completing Form 8879, IRS e-file **Signature** Authorization. Provide Form 8879 to the taxpayer along with a copy of the completed tax return, either personally or by mail. Instruct your client to review the tax return for accuracy and complete the Form 8879 by providing the requested information (a self-selected five-digit PIN, pen and ink signature, and date). If your client is unable to return the signed Form 8879 to your office, he/she may return it by mail or FAX.

19. What is Form 8879, IRS e-file Signature Authorization?

Form 8879, IRS e-file Signature Authorization allows the tax professional to input the taxpayer's PIN. It is provided as a convenience for taxpayers who are unavailable to personally enter their PIN.

20. Where can I obtain a copy of Form 8879?

Some tax preparation software includes Form 8879, IRS e-file Signature Authorization format. A copy can also be obtained from the IRS website, www.irs.gov. A Spanish version, Form 8879-SP, is also available on the website.

21. Must I use Form 8879 for every e-file return I file using the Self-Select PIN Method?

No. Form 8879 is only required when one or both taxpayers are unavailable to personally enter their PIN, or if the PIN was generated or assigned by the ERO.

22. Can the taxpayer give me their PIN verbally for me to enter in their electronic record?

Yes. The taxpayer may give you their PIN verbally; however, you must receive a completed Form 8879, IRS e-file Signature Authorization, from the taxpayer before you transmit the return or release it for transmission to the IRS.

23. Is it acceptable for an ERO to enter the taxpayer's PIN in the electronic return format before Form 8879 is generated.

Yes, the taxpayer PIN can be entered into the electronic return format prior to generation of the Form 8879. However, the ERO must receive a completed Form 8879 signed by the taxpayer before you transmit the return or release it for transmission to the IRS.

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers continued

24. Is it acceptable for an ERO and/or software program to generate or assign the five digit PIN the taxpayer will use to sign his e-file return?

Yes, an ERO may determine the taxpayer's PIN if certain conditions are met. In all instances, the taxpayer shall retain the right to select his or her own PIN. If the taxpayer agrees to allow the ERO to determine the taxpayer PIN, the taxpayer will consent to the ERO's choice by completing and signing a Form 8879 which contains the taxpayer PIN used as the return signature. The taxpayer PIN can be systemically generated or manually assigned by the ERO.

25. Is it acceptable for the ERO to assign the same PIN for multiple clients?

Yes, it is acceptable to assign the same PIN for multiple clients.

26. Can a married taxpayer filing a joint return pick the PIN and enter it for his/her spouse?

No. The taxpayer that is not present to personally enter their PIN must complete Form 8879 to authorize their tax professional to input the PIN for them.

27. Do both taxpayers filing a joint return have to authorize the tax professional to input their PINs?

No, only the taxpayer that is not present to sign the return should authorize the preparer to enter their PIN. If neither spouse is present to sign a joint return, each can authorize the preparer to enter his/her respective PIN. A spouse who is present should enter his/her own PIN, even if the preparer has authorization to enter the other spouse's PIN.

28. What is my responsibility as a return preparer using Form 8879 when the taxpayer completed their own return?

As a return preparer, your responsibility is to provide the taxpayer with Form 8879 along with their return for review. You are required to generate or enter the header information, tax return five line items in Part I, and the ERO firm name in Part II. You may also systemically generate or manually assign the taxpayer PIN in Part II.

29. When does the taxpayer complete Form 8879?

If you prepared the return, the taxpayer must complete Form 8879 after they have reviewed the prepared return. If the taxpayer provided a completed return for transmission, the Form 8879 and PIN selection can be completed without reviewing the electronic return. You must receive the completed Form 8879 from the taxpayer before you transmit the return or release it for transmission to the IRS. Tax return line items in Part I must be entered on Form 8879 before the taxpayer signs.

30. Can a taxpayer complete Form 8879 and fax it to the ERO?

Yes. Form 8879 can be signed and returned to the ERO via fax transmission. However, the ERO must retain Form 8879 in their file for three years from the Return Due Date or IRS Received Date, whichever is later. **Form 8879 files can be retained electronically in accordance with Rev. Proc. 97-22.**

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers continued

31. Do I provide a copy of the completed Form 8879 to the taxpayer for their records?

Provide a copy of the completed Form 8879 to those taxpayers requesting one. You may provide a copy to other taxpayers, but you are not required to do so.

32. Can a preparer enter the taxpayer's PIN on an Application for Extension of Time to File?

Yes. Form 8878, IRS e-file Signature Authorization for Application for Extension of Time to File is available for taxpayers to authorize the ERO input of their PIN on Forms 4868 and 2350. Form 8878 is included in some software packages. A copy can be obtained from the IRS website, www.irs.gov. A Spanish version, Form 8878-SP, is also available on the website.

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33. Do I have to mail Form 8879 or Form 8878 to the IRS?

No. Retain the completed Form 8879 and Form 8878 in your file for three years from the Return Due Date or IRS Received Date, whichever is later.

34. Is it acceptable for an Electronic Return Originator (ERO) to electronically image and store Form 8879, IRS e-file Signature Authorization, and Form 8878, IRS e-file Signature Authorization for Application for Extension of Time to File, and meet the document retention requirement?

Yes, an ERO may electronically image and store Forms 8879 and 8878 if the ERO's storage system satisfies the requirements of Rev. Proc. 97-22, Retention of Books and Records. In brief, Rev. Proc. 97-22 requires that the electronic storage system must ensure an accurate and complete transfer of the hard copy or computerized records to an electronic storage media. In addition, all records reproduced by the electronic storage system must exhibit a high degree of legibility and readability (including the taxpayer's signature) when displayed on a video display terminal and when reproduced in hard copy.

35. How do I know the IRS received the Self-Select PIN?

When you receive your Acknowledgement Record, all accepted returns will have the Self-Select PIN Presence Indicator. The following value will be returned:

"9" = No PIN Present. 8453 or 8453-OL Required
"1" = Practitioner PIN
"2" = Self-Select PIN by Practitioner Used
"3" = Self-Select PIN by Online Used
"4" = State Only, No PIN. 8453 or 8453-OL is Not Required.
"Blank" = Return Rejected with PIN

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36. What is an ERO PIN?

The ERO PIN is the ERO electronic signature. For consistency, each ERO is encouraged to use the same 11 numbers for their PIN on all returns for this filing season. The first 6 positions of your ERO PIN must be your EFIN and it must match the DCN. You may select any 5 numbers (except all zeros) for the next five positions. It does not take place of the taxpayer's PIN. A taxpayer PIN is also required.

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SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.11 Self-Select PIN Method Questions and Answers continued

37. Will the ERO PIN be acknowledged as well?

If the ERO PIN is not present, the return will reject displaying an error reject code.

38. Where can I receive a copy of the Error Reject Codes for the Self-Select PIN method?

The Error Reject Codes can be found in the [Publication 1345A](#), Filing Season Supplement for Authorized IRS e-file Providers **and in Section 13.10 of this Publication.**

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39. Why is a Date of Birth required with Self-Select PIN method?

The Date of Birth is required as part of the authentication process for the taxpayer. It will be matched against Social Security Records. The return will not be rejected this year if the Date of Birth does not match. However, the Acknowledgement Record will contain the field Date of Birth Validity Code. It will advise you if the dates of birth submitted were valid or mismatched. The following values will be returned.

- 0 = Date of Birth Validation Not Required
- 1 = All Dates of Birth Valid
- 2 = Primary Date of Birth Mismatch
- 3 = Spouse Date of Birth Mismatch
- 4 = Both Dates of Birth Mismatch

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.12 Practitioner PIN Method Questions and Answers

1. What is the Practitioner PIN method?

The Practitioner PIN is an additional signature method for taxpayers who use an Electronic Return Originator (ERO) to sign their return by entering a five digit PIN. The PIN can be any five numbers except ALL zeros. **It eliminates the requirement for Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return, in most cases. When an electronic signature is chosen, no signature documents are required to be filed with the IRS.**

2. Do I need any specific forms to use the Practitioner PIN method?

Taxpayers must complete Form 8879, IRS e-file Signature Authorization, for returns using the Practitioner PIN method. Taxpayers can either enter their own PIN or authorize the ERO to enter their PIN for them when completing Form 8879.

3. Who is eligible to use the Practitioner PIN method?

Taxpayers who are eligible to file Forms 1040, 1040A, or 1040EZ are eligible to use the Practitioner PIN method. There is no age **restriction** on who can use the Practitioner PIN.

4. Who is ineligible to use the Practitioner PIN method?

Taxpayers required to file the following forms, which must be attached to Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Returns:

- **Form 1098-C, Contributions of Motor Vehicles, Boats, and Airplanes**
- Form 3115, *Application for Change in Accounting Method*
- Form 3468, **Computation of Investment Credit** (if Historic Structure Certificate is required)
- **Form 4136, Credit for Federal Tax Paid on Fuels**
- Form 5713, *International Boycott Report*
- Form 8283, *Non-Cash Charitable Contributions (if using Section B)*
- Form 8332, *Release of Claim to Exemption for Children of Divorced or Separate Parents*
- Form 8858, *Information Return of U.S. Persons with Respect to Foreign Disregarded Entities*
- **Form 8864, Biodiesel and Renewable Diesel Fuels Credit (if Certificate and/or reseller statement is required) and**
- Form 8885, *Health Coverage Tax Credit*

5. How does the Practitioner PIN method benefit the ERO?

The Practitioner PIN method offers an additional **taxpayer** signature option for EROs to use in preparing and transmitting Forms 1040, 1040A, and 1040EZ to IRS. More specifically, it eliminates the **requirement to file signature documents with the IRS.**

- The Date of Birth **and** the **prior year** Adjusted Gross Income amount is **not** needed for Practitioner PIN returns

SECTION 13 - ELECTRONIC SIGNATURES SPECIFICATIONS

.12 Practitioner PIN Method Questions and Answers continued

6. Is there an authorization form required for filing Form 4868 using the Practitioner PIN method?

Yes. Complete Form 8878, **IRS e-file Signature Authorization for Application for Extension of Time To File**, for Form 4868 filed using the Practitioner PIN

method. Remember that a signature is only required on Form 4868 when there is an Electronic Funds Withdrawal.

7. What is my responsibility as an ERO using the Practitioner PIN method?

EROs are required to sign Form 8879, Part III, inputting their ERO EFIN/PIN for all returns using the Practitioner PIN method. The ERO EFIN/PIN consists of eleven digits (the first six positions is the EFIN and the last five is any five numbers except ALL zeros). EROs should confirm the identity of taxpayers per Publication 1345 when completing Form 8879, prior to transmitting returns to IRS.

8. Do I mail Form 8879 or Form 8878, IRS e-file Signature Authorization, to the IRS?

No. Do not mail Form 8879 or Form 8878 to the IRS. EROs using the Practitioner PIN method must retain Forms 8879 and 8878 for three years from the return due date or IRS received date, whichever is later. Electronic storage is also acceptable. **In addition, Form 8879 or 8878 should not be used as a transmittal to fax documents or submit payments to the IRS.**

9. Will I receive an Acknowledgement that the Practitioner PIN method was used?

Yes. A PIN Presence Indicator of "1" will be present in the Acknowledgement File Key Record of a return when the Practitioner PIN **method was** used. Please be sure to check the Acknowledgement File for the PIN Presence Indicator on all returns transmitted using a PIN signature.

10. Will the ERO PIN be acknowledged as well?

If the ERO PIN is not present, the return will reject displaying an error reject code.

11. Where can I find the Error Reject Codes for the Practitioner PIN method?

The Error Reject Codes can be found in the Publication 1345A, Filing Season Supplement for Authorized IRS e-file Providers and in Section **13.10** of this publication.